

West German 'Russkis' Search for Their Identity in 2 Cultures

By Serge Schmemmann
New York Times Service
WIESBADEN, West Germany — As a child in Soviet Central Asia, Larissa Grams was allowed to speak only German at home — more precisely, the Schwabisch dialect her forebears took to Russia two centuries earlier.

about 75,000 have left. These do not include Germans taken prisoner during the war; those who survived were repatriated separately.

The ethnic Germans' exodus from the Soviet Union, like Jewish emigration, has increased this year after declining to a trickle in the early 1980s.

Germany expect another increase in emigration in July when President Richard von Weizsäcker visits Moscow.

Students Rally in Seoul To Plan Further Efforts

By John Burgess
Washington Post Service
SEOUL — Thousands of South Korean students, many of them skeptical of political concessions offered by the government, gathered Friday at Yonsei University here to plot a strategy for keeping pressure on the government.

ang songs in a subway station before dispersing. It was an unusual example of restraint on both sides.



Relatives of detained demonstrators shouting slogans at the Yonsei University rally Friday.

Taiwan's Cabinet Sends Parliament Measures Seeking End to Martial Law

Compiled by Our Staff from Dispatches
TAIPEI — Taiwan announced Friday that it would soon lift martial law, but opposition members of parliament said a new national security law would, in reality, be martial law in disguise.

communism and independence, and to swear allegiance to Taiwan's constitution.

nationalist leader, Chiang Kai-shek, has been proposing reform to solidify public support for the Nationalist Party before six decades of family rule ends.

New Factions Split Japan's Major Party

By Barbara Crossecker
New York Times Service
TOKYO — As politicians in the governing Liberal Democratic Party begin to prepare for a leadership election in October, the party's most powerful faction, led nominally by former Prime Minister Kakuei Tanaka, has split into three groups.

France Insists on Release of Iranian

PARIS (AP) — France insisted Friday that an Iranian embassy employee at the center of a diplomatic standoff between the countries appear before a judge to answer questions about Paris bombings that killed 13 people last summer.

Shevardnadze Schedules Bonn Visit

BONN (AP) — Eduard A. Shevardnadze, the Soviet foreign minister, will visit Bonn this fall, it was announced Friday.

Gorbachev, Gandhi Attack U.S. Policy

MOSCOW (UPI) — Mikhail S. Gorbachev, the Soviet leader, and Prime Minister Rajiv Gandhi of India joined Friday in attacking the United States for trying to undermine the New Delhi government.

U.S. Court Cautions New York Police

NEW YORK (NYT) — A federal judge has barred the New York City Police Department from destroying or altering records concerning its investigations of black radicals.

Thatcher Prepares for Visit to U.S.

LONDON (NYT) — Prime Minister Margaret Thatcher began laying the groundwork for her visit to the United States by stying Friday that she did not think the Iranian case had undermined President Ronald Reagan's international standing or his ability to achieve an arms control agreement with the Soviet Union.

Attention American shoppers! your purchase entitles you to a gift of YVES ST. LAURENT in honor of the INDEPENDENCE DAY at EDEN Parfumerie -3 Rue du Helder (2 blocks from Opera) -212 Rue de Rivoli (Facing Tuileries Garden) Valid from July 4th to July 14th (Bastille day)

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Labor Party's 'Brawler' Leaves Ring, Unbowed

By Howell Zaines
New York Times Service
LONDON — Among his admirers, Denis Healey is sometimes called "the best prime minister Britain never had."

Denis Healey Moves to Back Benches

By Richard Witkin
New York Times Service
NEW YORK — Prompted by an incident Tuesday in which a Delta Air Lines captain mistakenly shut down both engines of his Boeing 767 jet, the Federal Aviation Administration has issued an emergency order requiring a safety guard between switches to prevent a recurrence.

FAA Orders Cockpit Change After Mishap on Boeing 767

NEW YORK — Prompted by an incident Tuesday in which a Delta Air Lines captain mistakenly shut down both engines of his Boeing 767 jet, the Federal Aviation Administration has issued an emergency order requiring a safety guard between switches to prevent a recurrence.

Soviet Will Allow Pianist to Leave

MOSCOW — Vladimir O. Feltsman, whose career as a pianist came to a virtual halt after he applied in 1979 to emigrate to Israel, has received permission to leave the Soviet Union with his wife and son.

DEATH NOTICE
CAROLINE RYAN FOUKLE
DIED JULY 1, 1987
at her home in Palm Beach, Florida, following an extended illness. She was the daughter of Clemenis J. Ryan and Caroline O'Neil Ryan, and the granddaughter of Thomas Fortune Ryan. She was educated in the United States and travelled extensively in Europe. She was known for her charitable and philanthropic activities, including the Forsyth School. She was an avid collector of American fine and decorative arts and is particularly well known for her interests in preservation and furnishings of the Robert E. Lee memorial in Stamford, Virginia. She is survived by nieces and nephews, including: Hope Ryan, Richard Ryan, Sheila Ryan Taylor, Linda Ryan Jones, Caryn Ryan Tuckerman, Cyr Allen Ryan, Jeanne Ryan Sadtler, and Robert Ryan. Memorial funeral services will be held 11 a.m. July 6, 1987, at the Bethesda-by-the-Sea Episcopal Church, Palm Beach, Florida. Private services and interment will be held at a later date in the Ryan family cemetery in Oakridge, Virginia. In lieu of flowers, those who wish may make contributions in her memory to the Robert E. Lee memorial, Stamford, Virginia. (Quaker-burial-house: funeral home: West Palm Beach) in charge of arrangements.

TRAVEL UPDATE
The U.S. State Department declared Thursday that "the situation in Seoul has returned to normal" and canceled a warning issued June 19 to American travelers about violent demonstrations in South Korea.

ATTENTION AMERICAN SHOPPERS!
your purchase entitles you to a gift of YVES ST. LAURENT in honor of the INDEPENDENCE DAY at EDEN Parfumerie -3 Rue du Helder (2 blocks from Opera) -212 Rue de Rivoli (Facing Tuileries Garden) Valid from July 4th to July 14th (Bastille day)

AMERICAN TOPICS

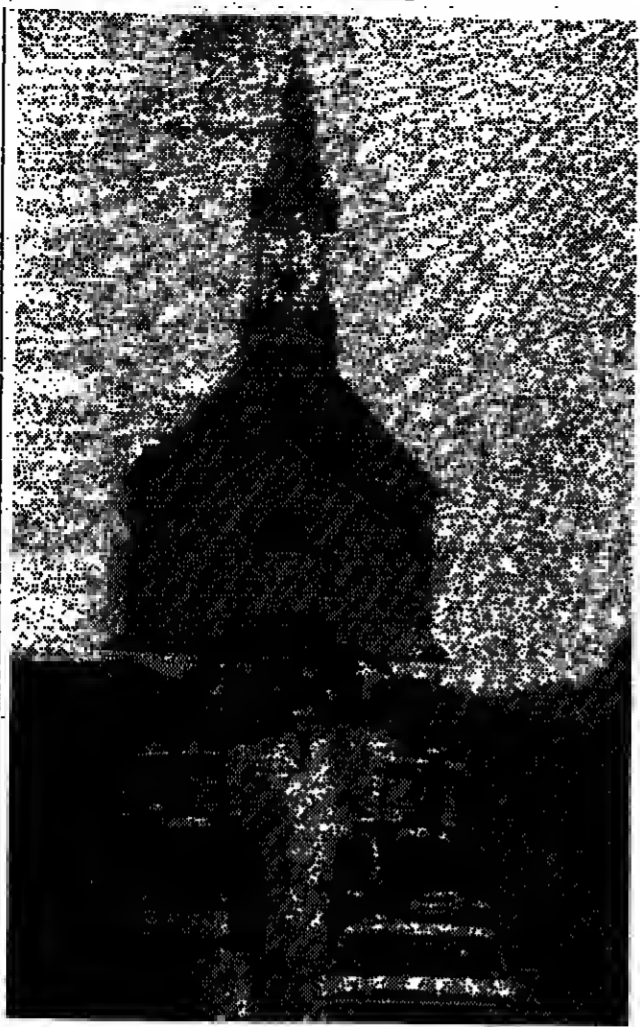
A Golden Fallout From 1984 Olympics

Southern California, long a major incubator of athletic talent, should become even more prominent now that it has probably the largest privately financed sports program anywhere...

Short Takes

Look up at the sky, says Jack Borden of Boston. "How many people who appreciate the beauty of the sky will ever ring a 7-Eleven cashier?" he asks.

Barns from upstate New York that are 20 years or two old are being purchased from local farmers for up to \$5,000...



RELIGION ON THE MOVE — Theophius Church is heading slowly for a new home as a museum in Winside, Nebraska. The 100-year-old rural church, weighing 72 tons, was put on 42 wheels with a truck and two tractors pulling it in front and two behind to steady the big load.

Wyoming is now the only state still refusing to raise the drinking age to 21, and this will cost it \$11 million in federal highway funds. T.A. Larson, a former University of Wyoming history professor, ascribes the refusal in part to the tradition that cattlemen "do what they please and don't have to take dictation and help from Washington."

Chilean Exile, on Return Visit, Encounters the Past

By Shirley Christian New York Times Service SANTIAGO — In the Chile of 1987, Carmen Castillo seems to have come directly from another time. But she carries with her, in her blood and in her love, much of the country's anguished modern history.

He died at her side in a shoot-out with military intelligence operatives on Oct. 5, 1974. She then spent three weeks in a military hospital, until international pressure led to her departure. Before her romance with Mr. Enriquez she was married to Andrés Pascal Allende, a nephew of President Salvador Allende...



'Our generation was very free and had a great dream. We really thought that we were going to change the world, and that made us live outside of all convention.'

— Carmen Castillo

Castillo grew up in a tolerant household of the upper-middle-class intelligentsia and came of age in a tolerant era. The president then was Eduardo Frei, a Christian Democrat who had promised social and economic justice within the framework of the bourgeois democracy that Chile had long enjoyed.

Meanwhile, in 1965, at the University of Concepcion, 300 miles (480 kilometers) to the south, Mr. Enriquez founded the MIR, defining it as an "instrument for the socialist revolution." Ms. Castillo recalled that her father "didn't like anything about the MIR," to which she and her brother, Cristian and Javier, were gravitating.

Bork Fight Could Reshape '88 Campaign Agenda

By Paul Taylor and Dan Balz Washington Post Service HOUSTON — As the seven Democratic presidential candidates broke camp here Thursday after their first major debate the night before, the coming confirmation battle over Judge Robert H. Bork for a seat on the U.S. Supreme Court emerged as a fight that could reshape the issue agenda of the 1988 presidential race.

Following landslide defeats in the 1980 and 1984 presidential elections, they have labored to shed their image as a party that is only the sum of its interest groups. Most have found a new vocabulary for discussing the economy and the role of government. But on questions such as abortion, affirmative action and civil liberties, there is less maneuvering room.

But Mr. Bork, who said he is deeply skeptical about whether Judge Bork should be confirmed, said that his own fortunes aside, he thinks the struggle could help the Democratic Party's image. "I think the vast majority of the American public does not share what I'll refer to as the Rehnquist view of the social history of their nation," Mr. Bork said, referring to William H. Rehnquist, the conservative chief justice of the United States.

Texas Boxcar Victims Fought Heat And Each Other, Says Sole Survivor

SIERRA BLANCA, Texas — Eighteen illegal aliens trapped in a locked steel-walled boxcar "started to get crazy" and fought each other in unbearable heat as they died "little by little," the lone survivor said.

The men had boarded the train late Wednesday afternoon at El Paso, the authorities said. "People started dying little by little, little by little," Mr. Tostado said. "They started fighting with each other because they were desperate to breathe," he said. "They didn't have any water. So they started to get crazy and fight each other."

The design of the boxcar was such that once the door was closed, it locked automatically, said M.S. Dudley, a Border Patrol agent. Some of the men had been dead for several hours when the bodies were discovered at 7:20 A.M., said Michael G. Wheat, an attorney for the Border Patrol in El Paso. He said Mr. Tostado told investigators that others in the car had been breathing up to an hour or two before the Border Patrol agents opened the car.

Haiti Restores Electoral Control to Civilian Group

PORT-AU-PRINCE, Haiti — In an effort to end the political crisis that has engulfed Haiti, the military government has announced that it is restoring control of the country's electoral process to an independent civilian council.

The action was almost universally seen as a violation of the constitution that was overwhelmingly endorsed in late March, and as an attempt by the military leaders to transform their provisional government into a dictatorship. The popularity of the constitution, copies of which some voters carried with them to the polls, stemmed from its array of carefully worded protections against the kinds of despotism that has dominated Haiti's history.

Some opposition leaders said they were disappointed that the government had not reinstated a labor federation that it dissolved last week in another apparent contravention of the constitution.

Advertisement for the Canadian Lottery (Lotto 6/49). It features the headline "\$ MILLIONS YOU CAN WIN BIG!" and details about the game, including prize amounts and how to play. It also includes a table showing the prize breakdown for various winning numbers.

Advertisement for the Canadian Overseas Marketing Order Form for Lotto 6/49. It includes a grid for selecting numbers (1-49) and a section for providing personal information like name, address, and telephone number. It also lists prize amounts for different subscription options.

Advertisement for Knap Diamonds. It features the headline "KNAP 50% SOLDE" and describes a sale on diamonds. The ad includes contact information for Joachim Goldenstein at the Diamond Club Bldg. in Saint-Honore.

Small advertisement for Knapp Diamonds, mentioning a sale and contact details for Joachim Goldenstein.

INTERNATIONAL Herald Tribune

Damaged Alliance

They Deserved This

Toshiba is getting what it deserves. In collusion with a smaller Norwegian firm, Kongsberg Vaapenfabrikk, Toshiba Machine Company deliberately violated Japanese law and international agreement by selling crucial technology to the Russians.

that it is prepared to enforce its laws rigorously. Japanese-American cooperation in anti-submarine techniques can also be improved, and Prime Minister Yasuhiro Nakasone has already pledged a greater effort.

... but Not That

Meanwhile, on the steps of the Capitol, for the cameras, several Republican congresspeople were busting up a Toshiba radio with sledgehammers. The organizer of the wrecking party was Representative Helen Delich Bentley of Maryland, who was breathing heavily about treason.

A Power Grab in Haiti

Jean-Claude Duvalier's successors have not much eased Haiti's grinding poverty, but they seemed to deserve credit at least for respecting civil liberties and moving toward free elections. No more. Last week the interim government of General Henri Namphy defied a newly ratified constitution and grabbed control of the voting machinery.

'New York Ascendant'

'New York Ascendant' — that is the optimistic title for the report of the city's Commission on the Year 2000, chaired by Robert F. Wagner Jr. However, the text makes clear that the ascent will be more like a mountain climb with a heavy pack than the carefree flight of a balloon.

Other Comment

Impasse in Central America

Only a hardened optimist could now give an even chance of success for the Central American peace plan elaborated by President Oscar Arias of Costa Rica. Leaders of the five Central American countries should have held a summit last week. Its postponement, even if a new date has been tentatively fixed for August, has dealt a near fatal blow to the plan's credibility.

imagination. Can such abstract virtues triumph over glaring problems? Yes, the commission responds, if the city will guarantee a place for the children of today's poverty in tomorrow's expanded service economy.

The school must be the focal point of such an effort, the report says, and it sensibly calls for a searching review of the decentralization policy in place since 1969. The commission makes several recommendations to spur motivation of principals, teachers and students. In addition, it emphasizes the importance of decent housing to family and neighborhood stability.

The commission calls New York a city of neighborhoods. Some who love their neighborhood may oppose others who need for opportunity changes neighborhoods. To accommodate what some need, others may have to yield. Mayor Koch was right to appoint the commission and to embrace its report. The hard choices remain.

INTERNATIONAL HERALD TRIBUNE JOHN HAY WHITNEY, Chairman 1978-1982 KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SZULBERGER Co-Chairmen

OPINION A Soviet Remedy: 'Only the Marketplace'

By Nikolay Shmelyov

Mr. Shmelyov is a Soviet author. This article has been excerpted from the June issue of the Soviet journal Noy Mir and translated by John Glad, professor of Soviet studies at the University of Maryland and former director of the Kennan Institute for Advanced Russian Studies.

MOSCOW — The state of the economy satisfies no one. Its two chief defects are clear: the monopoly enjoyed by the producers, given a general shortage of goods, and the lack of interest on the part of manufacturers in scientific and technical progress.

Persistent, long-term efforts to overturn the objective laws of economic life and crush the age-old natural incentive to work have brought results directly opposite to those we had anticipated. We now have an economy which is cut of wick and placed with shortages, an economy which rejects scientific and technical progress and is unplanned and — if we want to be totally honest — unplannable.

Over the centuries, humankind has found no more effective measure of work than profit. Our suspicious attitude toward profit is a sort of historical misunderstanding, the cost of the economic illiteracy of people who thought that socialism would eliminate profit and loss.

Perhaps we will lose our ideological virginity, but it now exists only in the fairy tale editorials of the newspaper. The present system of material incentives for conscientious work is inefficient because it is based on alcoholism and idleness. There is a disbelief in the goals and intentions which have been declared, disbelief in the possibility of a rational organization of economic and social life.

thrift, disrespect for honest labor, together with aggressive envy toward those who earn more (even by honest methods) have led to signs of violent physical degradation, a significant part of the people as a result of alcoholism and idleness. There is a disbelief in the goals and intentions which have been declared, disbelief in the possibility of a rational organization of economic and social life.

being forced to move to a new place of employment is not at all bad medicine to cure sloth and drunkenness. Many experts believe it would be cheaper to pay temporary unemployment benefits than to keep on a payroll of loafers who can (and do) make any effort to raise efficiency and quality.

The new economic policy of the 1980s must not step on the industrial machine. There is such a disgusting proliferation of them and they are so top-heavy with administrators that they often have to invent something to do, and actually end up interfering with the work of the enterprises.

Another prejudice is the rejection of the stock company. Why should the savings of our citizens and enterprises not be used to create new undertakings or expand old ones? Can it really be that the country is better off hoarding this money in a stock?

Cooperate For Peace In the Gulf

By Flora Lewis

PARIS — Top Reagan administration officials admit that there is risk in U.S. Navy operations in the Gulf. But says Defense Secretary Caspar Weinberger, "the risk of not doing it, I think, are higher."

It is not clear what he means by this. Secretary of State George Shultz says the decision is "basically in opposition to an increased role for the Soviet Union in the region." But the point is whether "highly visible" U.S. military involvement is likely to help bring an end to the war, or at least minimize the disruption of shipping, or whether it will spread and escalate the conflict.

Some issues need to be kept in mind. The war reflects many levels of hostility that have nothing to do with East-West issues. There is an age-old Arab-Persian antagonism, briefly muted when the Shah made a deal with Iraq's Saddam Hussein on their common border.

Mr. Hussein denounced the border deal in 1980 and invaded Iraq, counting on support from Arabs in the population of Iraq's southern provinces and on military and political weakness in post-revolutionary Tehran. That was a bigger miscalculation.

With one-third of Iraq's population, Iraq now knows it cannot win a military victory. Mr. Hussein is ready to negotiate a status quo ante settlement. It is possible that Iraq also cannot win militarily, which in Tehran's terms means provoking the collapse of Mr. Hussein's regime and seeing it replaced by Islamic, pro-Iranian rule.

Fresh American Cause to Celebrate on the Fourth

By Haynes Johnson

WASHINGTON — Gather round, fellow citizens. The question before the house, and before the fireworks start, is: Aside from longevity, what should we be celebrating?

For instance, what do you suppose those old-looking young Americans would think about the country they created 211 years ago this Fourth of July, or the constitutional system of government they adopted 200 years ago this September?

They were an unlikely bunch of rebels, seeming so stiff and formal in pictures that survive them. If they materialized now, they would appear unbelievably old-fashioned to 20th century eyes. Yet there was nothing outmoded about their thinking or limited about their vision. As current events make dramatically clear, they were remarkably far-sighted in anticipating the kinds of problems present-day Americans confront and in fashioning means to deal with them, if we choose to use them.

Exchange Programs With the Russians Are Traps

By Richard N. Perle

WASHINGTON — Our government has long known that the Soviet Union has had an aggressive program of acquiring U.S. and other Western technologies and technical know-how. For example, we recently discovered that a Japanese company had been operating on a chaotic case-by-case basis to reflect the careless indifference with which the executive branch has treated the subject.

Equally surprising is the failure of the executive branch to exert any serious policy direction with respect to scientific exchanges with the Soviets. My former colleagues may say that we have a splendid interagency organization for the analysis of the costs and benefits of scientific and technical exchanges — that we are rigorous in evaluating the advantages and disadvantages, weighing the risks, assessing the implications for security of cooperative arrangements with Soviet intelligence agents and their co-opted scientific and technical colleagues.

Every agency of our government wishes to have its own exchange program. Little or no regard is given to costs. After all, none of the officials involved is spending his own money. Once he has started down the road toward a scientific exchange agreement, there will be trips to Moscow. A program that is not getting the budget that the bureaucrats who run it believe it deserves — fusion energy comes to mind — is likely to get an infusion of capital if it becomes the subject of an East-West exchange program. If a pet project can't make it on scientific merit, perhaps it will get funded as a "petite" initiative.

had taught about rulers and regimes. First, those who wielded great power would inevitably abuse it. Second, safeguards were needed to counter and correct such abuses when they occurred. Without these, freedom of mind, spirit and action could flourish. Their elaborate system of checks and balances was constructed with those facts in mind.

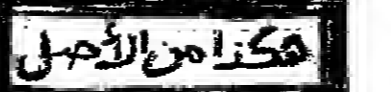
There is no doubt that those first citizens of the United States would instantly grasp the significance of the congressional hearings into executive abuses of power in the Iran-contra affair. A recurring refrain about the hearings, echoed recently by the president and accepted by some in the news media and country, is that they are boring and insignificant — so, perhaps, in one writer's view — a waste of time and taxpayers' money. Nothing could be less true.

Far from finished, they have documented what will likely stand as one of the most sweeping attempts in American history by the executive branch to employ extralegal secret means, hidden from public scrutiny and beyond any political debate or accountability, to achieve ends that the policy makers were unwilling to submit to the democratic process for decision.

IN OUR PAGES, 75 AND 50 YEARS AGO

1912: Praise for Wilson NEW YORK — Governor Woodrow Wilson's nomination for the Presidency is discussed. The New York Times says: "By the nomination of Governor Wilson, the Democratic party regains its ancient estate of dignity and power." The New York Evening Post: "Mr. Wilson's nomination means... a dignified campaign on a high, intellectual level, and in case of his election, something of a new era."

1937: Fears for Earhart SAN FRANCISCO — A frank search behind the search for Amelia Earhart and her navigator, Fred G. Noonan, who were ferried down in the Pacific on July 2, and added to lists for their safety. The New York Times: "The flying achievements and the vicissitudes of National Airways, Inc. which had few previous known Amelia Earhart Putnam was wealthy in her own right; a linguist and a brilliant student. This tall, slim woman with a shock of unruly hair and a boyish smile burst casually into national prominence in 1928 as "only a passenger" on the trans-Atlantic flight of Wm. Stultz and Louis Gordon. In 1932 she became the first woman to make a trans-continental non-stop flight. George Palmer Putnam, in San Francisco, to meet his wife on her return from her round-the-world flight, is suffering from a nervous breakdown.



Syria Attacks U.S. In a War of Words

By Ihsan A. Hijazi New York Times Service BEIRUT — Syria is keeping up a war of words against the United States despite recent moves at ending the strains between the two nations.

cancel talks for renewal of U.S. military bases in Greece if the Reagan administration does not withdraw the allegations.

Attacks on the Reagan administration and its policies are made daily by the state-controlled press and the Damascus radio, which is clearly heard here.

Articles in Syria's three government-controlled daily newspapers have reflected displeasure with the American steps toward a deeper involvement in the Gulf.

DEFECTS: Missiles Under Study

(Continued from Page 1) speed, low-level flights, for half of the roughly 1,800 cruise missiles in the U.S. strategic arsenal, according to congressional and industry sources.

Mr. Aspin also noted that the company has recently been criticized by the air force for slow delivery of guidance systems for the MX strategic missile and by his committee for problems in developing the new Stealth strategic bomber.

TURKEY: Civilian Leaders Are Challenging Military

(Continued from Page 1) (Continued from Page 1) (Continued from Page 1) (Continued from Page 1) (Continued from Page 1)

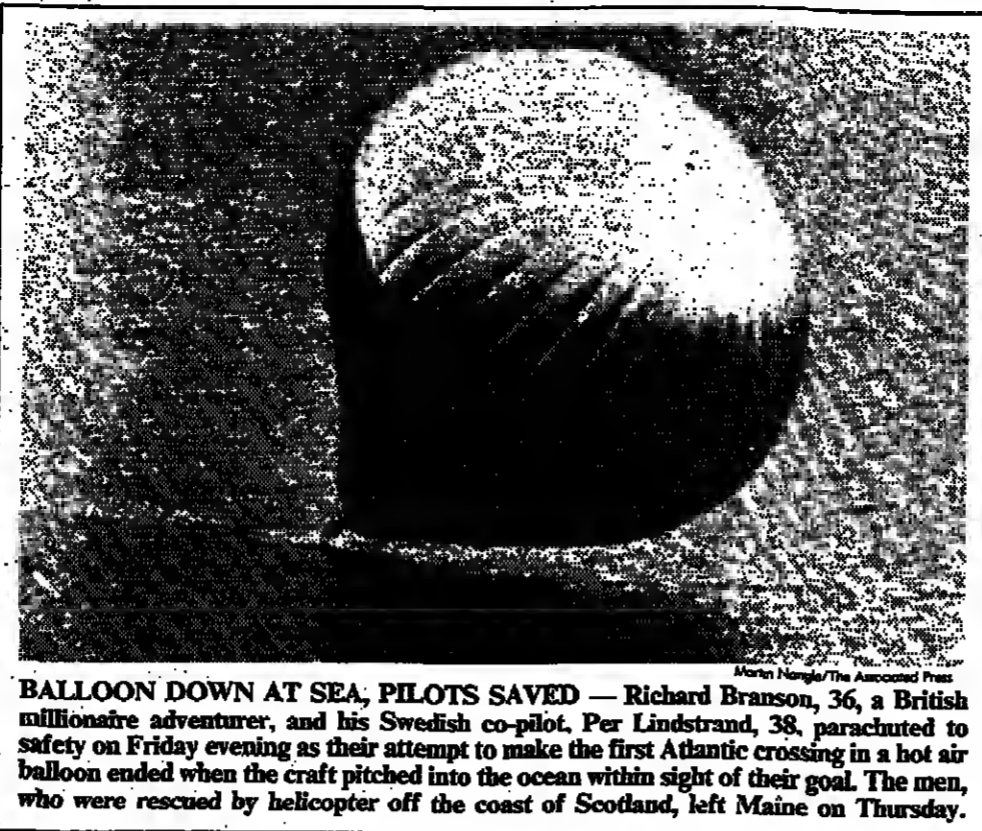
MONGOLIA: U.S. Prepares to Establish a Mission

(Continued from Page 1) and Mongolian affairs, made the first foray in March, traveling 30 hours from Beijing by way of the Trans-Siberian Railroad.

AIDS: Zambia's Deeply Entrenched Tribal Customs Exacerbate Epidemic

(Continued from Page 1) Relevance about AIDS is more than just government policy in Zambia. It is consistent with a society where sex is treated with Victorian prissiness.

Traditional belief in the cleansing ritual. Some tribal groups do not insist on intimate sexual contact, allowing a number of substitute cleansing ceremonies that are morally acceptable to Christians.



BALLOON DOWN AT SEA, PILOTS SAVED — Richard Branson, 36, a British millionaire adventurer, and his Swedish co-pilot, Per Lindstrand, 38, parachuted to safety on Friday evening as they attempt to make the first Atlantic crossing in a hot air balloon ended when the craft pitched into the ocean within sight of their goal. The men, who were rescued by helicopter off the coast of Scotland, left Maine on Thursday.

KOREA: Dissident Cites Barriers

(Continued from Page 1) not engage in "politics of retaliation." Diplomats and analysts have often cited Mr. Chun's fears that he might be brought in trial to face charges arising from his suppression of demonstrations in the provincial capital of Kwangju after his coup in 1980.

He asserted that the ruling party chairman, Roh Tae Woo, had recommended amnesty for him from a 1980 sedition conviction in free him to run for president in the hope of splitting up his partnership with Kim Young Sam.

BARBIE: Trial Concludes

(Continued from Page 1) of limitations, he could not be retried for those crimes. Mr. Vergès argued that Barbie did not know that Jews, Gypsies and opponents of the Nazis were being killed in concentration camps.

Violations By Marine In New Case Called Minor

New York Times Service WASHINGTON — The case of a U.S. marine being charged with security violations while serving as an embassy guard in Moscow and in Bern is another embarrassment to the Marine Corps, but officials said the security breaches appeared to have been relatively minor.

Soviet Plan on Talks Is Rejected by Iran

By Elaine Sciolino New York Times Service WASHINGTON — The Soviet Union has proposed to Iran that it join Iraq in holding a peace conference in Moscow to seek an end to their seven-year war.

Iran's leaders have opposed a cease-fire until President Saddam Hussein of Iraq is overthrown but have supported an end to attacks on shipping. They have already rejected the Security Council action.

ADVERTISMENT INTERNATIONAL FUNDS (Quotations Supplied by Funds Listed) 3rd July 1987

A large table containing financial data for various international funds, including fund names, symbols, and prices. The table is organized into columns and rows, with some sections highlighted in bold.

BUSINESS ROUNDUP

USA Today: Road to Survival Littered With Losses

By Alex S. Jones
New York Times Service
NEW YORK — In a move of unusual corporate candor, Gannett Co. has cooperated in the preparation of a book chronicling the tumultuous history of its USA Today, complete with tales of infighting, costly mistakes and a furious struggle to keep the national newspaper alive.

That evening, the executives entered a private dining room at a local restaurant to find a long table spread with jugs of Manischewitz wine and pieces of unleavened bread, in an imitation of the Last Supper.

Mr. Neuharth, with a crown of thorns on his head and a huge wooden cross leaning against the wall behind him, told the stunned executives, "I am the crucified one," according to Mr. Priehard's account. Then he presided at what he called "The Service for the Passed-Over," which was to be the executives' fate if USA Today foundered.

Grand Met Acquires 10% Stake in Martell

By Axel Krause
International Herald Tribune
PARIS — Grand Metropolitan PLC, the British food, beverage and hotel group, said Friday it had acquired a 10 percent share in Martell & Compagnie, France's second-largest cognac producer, for around £20 million (\$48.5 million).

percent of the company's 1.3 million shares outstanding, and 57 percent of the voting rights.

we have not only the product, but a partner which is particularly strong in the Far East where we are not.

Hachette Takes Control Of Le Provençal Papers

MARSEILLE — Hachette, the big French publisher, said Friday that it had taken control of the Marseille-based newspaper group Le Provençal, founded by the Socialist politician Gaston Defferre.

COMPANY NOTES

Amada Co., a Japanese manufacturer of lathes and press machines, said net profit fell to 4.05 billion yen (\$27.55 million), or 20.82 yen per share, in the year ended March 31, from 14.56 billion, or 74.87 a share, a year earlier.

Corp., and Sumitomo Electric Industries Ltd. will form a joint venture to design and equip energy-efficient buildings incorporating computers and telecommunications.

Bayrische Motoren Werke AG said revenue rose by 17 percent to 8.92 billion Deutsche marks (currently \$4.87 billion) in the first six months of this year from a year earlier, largely through sale of its "T" series of prestige cars.

Intel Corp., the California-based chip maker, is to build production lines for Japanese markets at its Malaysian and U.S. plants, after criticism from Japanese users who were undersupplied in the spring when Intel's plant had a production problem.

Cambridge & General Securities shares are likely to rise only \$37 million of the \$50 million that the U.S. government expected to receive as part of a settlement by Ivan F. Boesky of insider trading charges, according to legal sources.

Kobe Steel Ltd., in cooperation with Okura & Co., has won a contract from Inland Steel Co. of Chicago to give technical assistance in modifying and starting up two iron ore pelletizing plants.

Ernst & Whinney, the auditor for Continental Illinois National Bank before its near-collapse in 1984, has been cleared by a federal jury in Chicago of charges it failed to warn bank officials of bad energy loans bought from Penn Square Bank of Oklahoma City. The case was brought by the Federal Deposit Insurance Corp. and some former Continental shareholders.

McDonnell Douglas Corp. A MD-82 airliner, the first built by China, was partly imported from the United States, made a maiden flight over Shanghai, McDonnell Douglas China Inc. plans to assemble 25 of the aircraft in Shanghai by 1991, at a cost of more than \$600 million.

NBC Corp. reported gross net profit of 15.03 billion yen (\$101.9 million) in 1986-87, down 44.7 percent from a year earlier, on sales of 2.45 trillion, up 4.9 percent. It reported net profit of 25 billion yen in the year ending March 31, 1988, up 66 percent from 1986-87.

Pay 'N Pak Stores Inc.'s board rejected two sweetened takeover offers from a Florida investor, Paul A. Bilzerian, citing an earlier buyout agreement with a management-led group valued at \$21 a share, or about \$212.5 million.

Frontier Airlines employees have sued People Express Inc. for \$52 million, accusing the airline of forcing Frontier into bankruptcy by wrongfully diverting assets.

Japan's Finance Ministry said that Japanese net purchases of all foreign bonds reached a record \$14 billion in June. The buying was

CURRENCY MARKETS

Dollar Rises Strongly On News From Japan

NEW YORK — The dollar ended a holiday-shortened session on Friday with robust gains, especially against the yen, after comments by Japan's prime minister and news of a narrower Japanese trade surplus for May, dealers said.

Earlier in London, the dollar closed at 1.8390 DM, up from Thursday's close at 1.8315 DM. It finished at 148.65 yen, well up from 147.22 yen. The pound slipped to \$1.6140 from \$1.6150.

In New York, the dollar closed at 148.80 yen, up from 147.45 on Thursday, at 1.8394 Deutsche marks, up from 1.8305 Swiss francs, up from 1.5235, and at 6.1305 French francs, up from 6.1075.

On the Continent, the dollar firmed to 1.8372 DM at the fixing in Frankfurt, from 1.8289 DM on Thursday, and to 6.1215 French francs in Paris, up from 6.1040.

The dollar was also higher against the British pound, which closed at \$1.6105, against \$1.6170 on Thursday.

It closed at 1.5283 Swiss francs in Zurich, up from 1.5205.

Yugoslavia Wins A Rescheduling

BEGRAD — The Yugoslav government has reached an agreement with Western commercial creditors to delay payments on \$240 million of its foreign debt, the state news agency Tasing reported Friday.

Free Investor Information

The latest information from the distinguished companies listed in this section are available to you at no charge.

ANT Telecommunications
ANT Nachrichtentechnik GmbH is one of the leading companies in the telecommunications sector, with activities in multiplex systems, telecommunication cable systems, microwave systems, space communications systems, special communications system and audio systems.

BASF
BASF is a major international chemical company. Its trailblazing scientific and technological achievements, integrated production and intensive marketing have built a significant position for BASF in world markets.

Bayer
The year 1986 continued the sequence of successful Bayer years which started in 1983. Although the turnover of Bayer World fell by 11.8 per cent to DM40.75 billion because of currency developments and lower selling prices, income before tax rose by 4.9 per cent to a record-breaking DM3.3 billion.

BAYERISCHE VEREINSBANK AG
BAYERISCHE VEREINSBANK AG is paying its more than 90,000 shareholders an increased dividend of DM 13.00 (= 26%) for 1986. As a successful commercial and mortgage bank, we have continued to expand at home and abroad.

DAIMLER-BENZ AG
In 1986 Daimler-Benz was able to continue on its successful course of growth. Consolidated sales, of which one-quarter was accounted for by the new divisions AEG, Dornier and MTU, and three-quarters by the traditional automotive sector, rose 25% to over DM 65 billion.

HOECHST
In 1986, Hoechst has maintained its position as one of the world's leading chemical companies. The range of products extends from chemicals through fibres and plastics to pharmaceuticals and plant protection agents.

LYONNAISE DES EAUX
Consolidated profits of Lyonnaise des Eaux (370 million francs Group share) advanced 32% in 1986 with earnings per share increasing 10%.

MARKS AND SPENCER
Marks and Spencer is the leading UK retailer. High Street outlets predominate, but the second edge-of-town store opens in 1988. Market share of UK clothing sales continues at 16%.

SOLVAY
Solvay, founded in 1863, is the 2nd largest Belgian company and ranks among the top 10 chemical companies in Europe. It operates through 130 subsidiaries spread over 32 countries and has more than 44,000 employees.

SOMMER ALLIBERT
Europe's foremost manufacturer of plastics for the home, for industry and containers. Europe's foremost manufacturer of floorings. The outstanding features of 1986 were:

THYSSEN AG
Materials, components and systems are the fields of activity in which Thyssen is successful. The West German company is the largest private steelmaker in Europe. It is an international specialist for industrial, ready-to-install components.

TRANS EUROPE FUND N.V.
Trans Europe Fund - quoted on the Amsterdam Stock Exchange - is one of Europe's fastest growing open-end investment funds. It offers the investors a well diversified participation in companies whose operations are based in the European Community, the Scandinavian countries and in Switzerland.

BUSINESS ROUNDUP

PRU-BACHE: U.S. Retail Brokerage Braves a New World of Investment Banking, Undaunted by Tough Odds

(Continued from first finance page) banking field convinced Prudential-Bache that it had a shot at the opportunity cost. This is a tremendous business to get into now.

Prudential-Bache started down this road once before. But after serious discussions with Dillon, Read & Co. in mid-1985, Prudential-Bache decided that acquiring the small firm meant paying too much for too little.

The truth is that this is not a subject about which we have a great deal of conviction," Mr. Keith said. While "the Pru" backs the expansion, he said, it does not see the plan as essential to Prudential-Bache's future.

four firms in the bracket are Salomon Brothers, First Boston, Goldman, Sachs & Co. and Morgan Stanley & Co.

debt securities, with Prudential-Bache rising to 10th place so far this year, from 12th last year.

Euro-Commercial Paper

Table with columns for 15-45 days, 46-75 days, 76-105 days, 106-133 days, 136-165 days, 166-183 days. Includes sub-tables for 15-45 days and 46-75 days with columns for Bid, Ask, and various bank codes.

Mr. Bell, who was president of E. F. Hutton until joining Prudential-Bache in 1982, lured away dozens of other firms' retail brokers with huge bonuses.

"You cannot just have investment bankers. You have to have the ability to trade and execute transactions."

— Samuel Liss, Salomon Brothers analyst

It was the kind of controversy that Prudential-Bache's consensus-minded executives try to avoid. In fact, the new effort illustrates both the advantages and disadvantages of Prudential-Bache's link to Prudential, the country's largest insurer, with \$139 billion in assets.

and execute transactions, and that can take time to prove."

and execute transactions, and that can take time to prove."

London Commodities

Table with columns for High, Low, Bid, Ask, and various commodity codes like SUGAR, COFFEE, etc.

Grumman Wins Space Contract

WASHINGTON — The National Aeronautics and Space Administration says it has selected Grumman Aerospace Corp. for its biggest space station award to date, a contract worth up to \$1.24 billion.

Vauxhall Reports £62 Million Loss

LONDON — Vauxhall Motors Ltd., a British unit of General Motors Corp., said Friday that its net loss had widened in its most recent financial year to £61.7 million (\$99.4 million).

Paris Commodities

Table with columns for High, Low, Bid, Ask, and various commodity codes like SUGAR, COFFEE, etc.

from International Investor V

Simply circle the appropriate number on the coupon at the bottom of the page before July 23, 1987 or telex the numbers with your return address, and the report(s) will be mailed to you by the companies involved.

BSN GROUPE advertisement. For the French leading food and beverage group, 1986 was a favorable year, with as major event, Générale Biscuit acquiring.

Bull advertisement. Group BULL is an international data processing and communications group present in 75 countries, with 26,800 employees.

CARNAUD advertisement. Carnaud corporate planning. Our target: excellence for our customers.

CGE advertisement. The CGE Group is one of the world's leading industrial concerns. Its subsidiaries' achievements command worldwide recognition.

NIXDORF COMPUTER advertisement. From computers to telecommunications, Nixdorf offers a broadly based product spectrum for integrated information processing.

PEUGEOT S.A. advertisement. The PSA group is one of the first industrial groups in France, the first French exporter and the fourth European car manufacturer.

SKANSKA advertisement. Skanska is one of Europe's leading civil engineering and building contractor with a reputation for handling advanced projects.

société nationale elf aquitaine advertisement. In 1986 the ELF AQUITAINE Group had a cash flow of 14.5 billion F.Fr. and a consolidated net profit of 4.3 billion F.Fr.

VEBA AG advertisement. VEBA is one of Germany's leading companies. It is a broadly based industrial and service organization working in four major areas of activity.

VIAG advertisement. The Viag Consolidated Group registered an annual surplus of DM 149 million in 1986 — a record result for the post-war period.

Herald Tribune coupon. Mail this coupon or send telex to: Matthew Greene/International Investor V, International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly Cedex, France.

POSTCARD

Searching for Waves

By Eric Schmitt
New York Times Service
SEASIDE PARK, New Jersey—
Shortly before sunset, two dozen surfers in glistening wetsuits...

By Phil McCombs
Washington Post Service
WASHINGTON — Piers Paul Read, the British novelist, went to live in France in 1979...

Piers Paul Read, the Free Novelist



"I felt my vocation was as a novelist."

It's a wretched life, a writer's life," he says, shooting a hanglock look at his visitor in an apparent effort to start off on a sympathetic note...

Rock Stars in Moscow
For End of Peace Walk
The U.S. rock promoter Bill Graham has brought Santana, the Doobie Brothers, James Taylor and Ronnie Spector to the Soviet Union...

ANNOUNCEMENTS

NICE 87 JVC
Grande Parade
July 9-19
Jardin des Arènes de Cimiez
George Benson, Miles Davis, Ozzy Osbourne, etc.

ANNOUNCEMENTS

WINE, Steven Spurrer's Super Summer Sale with 25% discount on hundreds of wines...

INTERNATIONAL CLASSIFIED

REAL ESTATE FOR SALE
MONACO
MONT-CARLO
Real estate listings for Monaco and Mont-Carlo.

EMPLOYMENT
EXECUTIVES AVAILABLE
GENERAL POSITIONS WANTED
Job listings for executives and general positions.

EMPLOYMENT

GENERAL POSITIONS AVAILABLE
EXECUTIVE HOUSEKEEPER
Job listings for general positions and executive housekeeping.

PERSONALS

DEBRA BLUD, please call home.
YOU ARE GOD'S LIFE
Personal advertisements.

MOVING

ALLIED WORLDWIDE MOVING
PARIS: (1) 43 43 23 64
Moving services advertisement.

REAL ESTATE TO RENT/SHARE

VIENNA'S HOUSING AGENCY, Tel: 513 29 17
Real estate listings for rent and share.

GENERAL POSITIONS WANTED

AVAILABLE EARLY, leaving Belgium in 1987
Job listings for general positions wanted.

BOATS & RECREATIONAL VEHICLES

ENGLISH HANMER & mother's boat
Boats and recreational vehicles for sale.

REAL ESTATE SERVICES

NUCLEAR SHEETS, all quantities, also general construction
Real estate services advertisement.

BUSINESS OPPORTUNITIES

INTERNATIONAL PUBLISHING CO.
Business opportunities advertisement.

ATTENTION EXECUTIVES

Publish your business message
Attention executives advertisement.

AUTOMOBILE MARKET

WENTLEY 8" NEW FEBRUARY '84
Automobile market advertisement.

PAGE 11 FOR MORE CLASSIFIEDS

DO DAKS LONDON

EXCLUSIVE DAKS CLOTHES FOR MEN AND WOMEN AT DAKS CORNER SHOPS
DO DAKS LONDON advertisement.

REAL ESTATE FOR SALE

THORNHILL - 20 MIN FROM GENEVA
Real estate for sale advertisement.

BUSINESS OPPORTUNITIES

CONSIGNEMENT PUBLISHING CO.
Business opportunities advertisement.

AUTOMOBILES

WENTLEY 8" NEW FEBRUARY '84
Automobiles advertisement.

EUROPE

Amsterdam: 26-26-15
Europe advertisement.